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IN THE UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF VIRGINIA  
NORFOLK DIVISION

No. 2:18cv530

CSX TRANSPORTATION, INC.,  
individually and on behalf  
of NORFOLK & PORTSMOUTH BELT  
LINE RAILROAD COMPANY,

Plaintiff,

v.

NORFOLK SOUTHERN RAILWAY COMPANY,  
et al.,

Defendants.

Remote Proceedings

December 8, 2020

9:47 a.m. - 6:38 p.m.

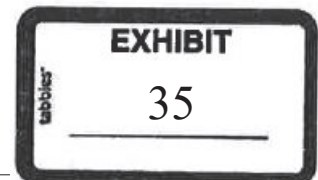
VIDEO DEPOSITION OF JAY STRONGOSKY

(via Teleconference)

(Highly Confidential)

Taken before SUZANNE VITALE, R.P.R., F.P.R.  
and Notary Public for the State of Florida at Large,  
pursuant to Notice of Taking Deposition filed in the  
above cause.

Job No. CS4358779



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1 a preferred port solutions. We are often --

2 Q. At some -- go ahead. I'm sorry.

3 A. Oh, we are very consistent in our  
4 messaging to customers and ports that we are port  
5 neutral.

6 Q. Fair enough.

7 With that said, some offer better margins  
8 for CSX than others; is that fair to say?

9 A. Across the system, yes.

10 Q. When you say "across the system," what do  
11 you mean by that?

12 A. Well, including all ports that we  
13 represent as ports that we serve.

14 Q. Mr. Strongosky, I'd like to ask you about  
15 the term -- the terms "single stack" and "double  
16 stack."

17 Do you know what those terms mean?

18 A. Yes.

19 Q. Can you explain their relevance and what  
20 they mean in your industry?

21 A. Sure. Creating double-stack efficiencies,  
22 meaning the ability to load two containers, one on  
23 top of the other, while moving rail transport, while  
24 moving via rail, is more efficient and uses less  
25 railcar capacity than a lane that would be single

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1 stacked; whereas, you can roughly handle -- you can  
2 handle twice as many containers on a double-stack  
3 service versus a single-stack service.

4 Q. Is it fair to say for ports or terminals  
5 where CSX has double-stack capabilities, it's able  
6 to offer a lower cost to the steamship line  
7 customer, all else being equal?

8 MR. HATCH: Objection, hypothetical.

9 THE WITNESS: I would say that as part of  
10 our pricing to our customers, we price  
11 according to what the market will yield with an  
12 understanding of what our underlying costs are.  
13 And if we cannot do it profitably, we unlikely  
14 will do that. We will unlikely offer the  
15 service.

16 BY MR. THORNBURGH:

17 Q. So routes where CSX has double-stack  
18 abilities, capabilities, it can offer a better rate  
19 to the steamship line customers; is that fair to  
20 say?

21 MR. HATCH: Objection, misstates the  
22 testimony and hypothetical.

23 THE WITNESS: Where our -- where we have  
24 double-stack capabilities, our costs to handle  
25 a unit is less than instances where we cannot